

MINUTES
SENATE STATE AFFAIRS COMMITTEE

DATE: Friday, February 01, 2013

TIME: 8:00 A.M.

PLACE: Room WW55

MEMBERS PRESENT: Chairman McKenzie, Senators Davis, Fulcher, Hill, Winder, Lodge, Siddoway, Stennett and Werk

ABSENT/ EXCUSED:

NOTE: The sign-in sheet, testimonies and other related materials will be retained with the minutes in the committee's office until the end of the session and will then be located on file with the minutes in the Legislative Services Library.

CONVENED: **Chairman McKenzie** called the Senate State Affairs Committee (Committee) to order at 8:00 a.m. with a quorum present. The first order of business was the approval of the January 18th minutes.

MOTION: **Senator Stennett** moved to approve the minutes of January 18, 2013. **Senator Siddoway** seconded the motion. The motion carried by **voice vote**.

RS 21785C1 A Concurrent Resolution to reaffirm Idaho's commitment to a strong relationship with Taiwan. **David Johnston**, Intern for the Senate Majority in Senator Fulcher's office, introduced the RS. Taiwan is a major trading partner with Idaho and is the second largest export destination for the state with an estimated \$761 million exported to Taiwan from Idaho during 2011. The primary export products are semiconductors, computers, capital equipment, agricultural products, wood and building materials. Idaho also enjoys a sister state relationship with Taiwan that originated in 1984.

This measure recognizes the current relationship; that Taiwan is a trading partner and also reaffirms and restates that Idaho would like to continue to grow and develop the relationship.

Senator Davis referred to line 32 of the RS and asked how the issue with the beef exports had been resolved, and what was the time frame. **Mr. Johnston** replied that he was not familiar with the exact specifics, but it concerned the federal government and Taiwan. He volunteered to get additional information on the specifics and the time frame.

Senator Hill responded to Senator Davis' question. The main issue was that Taiwan would not accept beef that was subject to any type of growth hormones. It started about two years ago and the **Senator** was not sure if the problem has been resolved. The Idaho Department of Agriculture could respond to any questions from the Committee.

Senator Stennett commented on the standard and qualifications required by Taiwan for our products and stated that the cooperation between the two countries ensured that both sides had come to agreement and a good understanding of what each required. It is a remarkable working relationship.

MOTION: **Senator Davis** moved to print **RS 51785C1**. **Senator Lodge** seconded the motion. The motion carried by **voice vote**.

VOTE ON GUBERNATORIAL APPOINTMENT: Vote on the appointment of Gary Mahn to the Idaho Endowment Fund Investment Board.

MOTION: **Senator Winder** moved to send the gubernatorial appointment of Gary Mahn to the Idaho Endowment Fund Investment Board to the floor with the recommendation that he be confirmed by the Senate. **Senator Fulcher** seconded the motion. The motion carried by **voice vote**.

VOTE ON GUBERNATORIAL APPOINTMENT: Vote on the appointment of Representative Eric Anderson to the Idaho Energy Resources Authority.

MOTION: **Senator Hill** moved to send the gubernatorial appointment of Representative Eric Anderson to the Idaho Energy Resources Authority to the floor with the recommendation that he be confirmed by the Senate. **Senator Werk** seconded the motion. The motion carried by **voice vote**.

GUBERNATORIAL APPOINTMENT: The appointment of Jani Lynn Revier as Administrator of the Division of Financial Management (DFM). **Chairman McKenzie** welcomed Ms. Revier and asked her to tell about her background and how she viewed her role as administrator of the DFM in the future.

Ms. Revier explained that she is a fifth generation Idahoan from Three Creek Idaho (Owyhee County) whose family has been involved in cattle ranching and public service. **Ms. Revier** outlined her qualifications gained through education with both post-secondary and advanced degrees, and experience ranging from Legislative Assistant for Idaho Senator Larry Craig in Washington, D.C. to the Senate Agricultural Committee Sub-Committee Staff Director. In 2001, she became then Congressman Butch Otter's Legislative Director overseeing the policy functions of his office and ultimately became Chief of Staff for Congressman Otter. Her education as well as her Washington, D.C. experience, developed skills that are relevant to be the DFM Administrator.

In her short time at the DFM, **Ms. Revier** has learned to appreciate the role the agency plays in the budget process. She intends to work hard and have a positive relationship with the Legislature and the Legislative Budget Office. The DFM should be responsive to the concerns of not just the Governor's Office, but also to the legislature and the various agencies that make up state government. DFM should be a source of honest, reliable information and an agency accessible to policy makers, open to alternative points of view and capable of adjusting to the changing needs of the Governor, the legislature and state agencies throughout the budget year. The DFM will fulfill its mission in a professional, open, transparent and trustworthy way being a partner to the legislature, not an adversary.

Ms. Revier described the three principles contained in the Governor's budget process: 1) Grow government at a lower rate than the economy; 2) Replenish reserve funds that were depleted during the recession; and, 3) Return the state budget to a structural balance. She will work with the legislature to develop a budget while sticking to these principals. If confirmed, **Ms. Revier** will work on the challenges ahead.

Senator Davis spoke to the issue of conflicts due to the political activities of Ms. Revier's family; how will you keep the confidences of the Governor and at the same time maintain the quality personal relationships you have with your family? **Ms. Revier** responded that her father is a Senate Committee Chairman and she has provided that information and has secluded herself from any legislation or issue related to Senator Brackett. She stated she would not give special favor to family members.

Senator Fulcher noted that there is frequently a difference of how DFM reports figures versus how the Legislative Services Offices (LSO) staff reports them. How do you plan to work with LSO? **Ms. Revier** stated that she plans to coordinate with LSO to compile a reliable source of information for the Governor.

Chairman McKenzie referred to the Governor's principles that were used when developing the budget. Will those principles guide your counsel to the Governor in the future? **Ms. Revier** answered "yes."

Senator Siddoway stated that his past experience when working with Ms. Revier, has been such that he has confidence in her competency. She is dedicated, works hard and will get the job done.

GUBERNATORIAL APPOINTMENT: **Chairman McKenzie** introduced the next gubernatorial appointee, Greg Schade to the State Building Authority.

Mr. Schade explained that he has been in Idaho most of his life. He graduated from Nampa High School and attended the University of Idaho, completed his degree in dentistry at Northwestern University and then practiced in Idaho for 30 years. **Mr. Schade** went on to outline his business, professional and community activities all of which would qualify him to hold a position on the State Building Authority.

Senator Stennett observed that Mr. Schade had a lengthy list of diverse activities. The **Senator** asked about his activities in the petroleum industry and asked what would he bring to the State Building Authority. **Mr. Schade** said that his family owned Gem State Petroleum Company and he grew up with gas and oil. He was part owner of the real estate but not the business. He has not been in that business for over ten years. Governor Batt asked him to chair a committee to work with the Department of Environmental Quality and he served in that position for an eighteen month period working to compile a comprehensive report. **Mr. Schade** said he has run a small business and follows a common sense approach to financing and he also follows a very conservative agenda.

Chairman McKenzie asked for any further questions from the Committee.

ADJOURNED: Being no further business, **Chairman McKenzie** adjourned the meeting at 8:30 a.m.

Senator McKenzie
Chairman

Twyla Melton
Secretary